



**NORTH DAKOTA
PUBLIC EMPLOYEES RETIREMENT SYSTEM**

EFFECTIVE AUGUST 1, 2003 TO JULY 31, 2005

**ND PERS BOARD MEMBERS****TERM EXPIRES****Jon Strinden***Chairman*

July 31, 2006

Sandi Tabor*Attorney General Appointee*

January 1, 2006

Rosey Sand*Employee Representative*

June 30, 2007

Howard G. Sage*Employee Representative*

June 30, 2008

L. David Gunkel*Employee Representative*

June 30, 2004

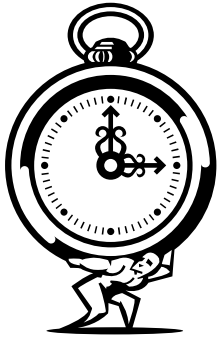
Weldee Baetsch*Retiree Representative*

June 30, 2004

Dr. Terry Dwelle*State Health Officer*

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INTRODUCTION



The North Dakota Public Employees Retirement Board is the governing authority of the Public Employees Retirement System (NDCC 54-52), the Highway Patrol Retirement System (NDCC 39-03.1), the Uniform Group Insurance Program (54-52.1), the Deferred Compensation Program (54-52.2), the Flex Comp Program (54-52.3), the Retiree Health Insurance Credit Program (54-52.1-03.2), the Dental Plan (54-52.1-04.7), and the Long-Term Care Plan (54-52.1-04.8). The Board generally meets monthly and is composed of seven voting members who serve staggered terms. A North Dakota citizen who is neither a state nor a school district employee is appointed by the Governor to serve as Chairman of the Board. A member of the Attorney General's legal staff and the State Health Officer are also appointed to serve on the Board. One member is elected by retired NDPERS members and the remaining three Board members are elected from active employees currently participating in NDPERS.

The North Dakota Public Employees Deferred Compensation Program is an elective program offered to eligible employees of participating employers who wish to supplement retirement savings. Participation in this program makes you eligible for vesting in the employer contribution if you participate in the NDPERS Defined Benefit Plan. However, your employer may offer an alternative supplemental retirement plan if the NDPERS Deferred Compensation Plan is not available to you.

Participants may only defer salary with companies offered through the program. Approved provider companies are available because they meet minimum requirements set by the retirement board, or because they were grandfathered in when minimum requirements were set up. The retirement board has not evaluated any provider companies' investment options with the exception of the Companion Plan and does not endorse any provider company offered through this program.

You may obtain a current listing of eligible companies and various representatives of those companies by contacting the NDPERS office or by checking NDPERS Website.

If you do not have a particular company or investment in mind, you may request general information on investment options from the NDPERS office or it may be beneficial for you to interview several different professionals representing the available provider companies. As this will be a long term relationship, it will be beneficial for you to find someone you feel will work well with you in establishing your supplemental retirement assets. Some basic information on selecting a financial advisor is provided for your information in the Appendix on page 10.

All questions, comments and correspondence can be directed to the following address:

North Dakota Public Employees Retirement System

400 East Broadway Suite 505
PO Box 1657
Bismarck North Dakota 58502-1657

(701) 328-3900 – Telephone
(701) 328-3920 – Fax Number
1-800-803-7377 Toll-Free Outside the
Bismarck Calling Area

www.discovernd.com/ndpers – PERS Website

The following defines the terms most frequently used throughout this booklet.

“Beneficiary” means an individual designated by the participant on the participant agreement to receive benefits under the plan in the event the participant dies.

“Deferred Compensation” means the amount of compensation not yet earned which the participant and the employer shall mutually agree will be deferred from current monthly salary in accordance with the provisions of the plan.

“Employer” means the State of North Dakota or any of its institutions, departments, agencies, or participating political subdivisions.

“Includible Compensation” means gross compensation minus any employee contributions to your regular retirement plan which are paid by your employer under a 414(h) salary reduction arrangement. See form SFN 3803 for instructions.

“IRC” means the Internal Revenue Code.

“Participant” means any permanent employee of an employer who the employer designates as eligible to participate, and who executes a participant agreement.

“Participant Agreement” means a written agreement between the employer and a participant setting forth certain provisions and elections relative to the plan, incorporating the terms of the plan, and establishing the participant’s deferral and participation in the plan. (SFN 3803)

“Provider” means any insurance company, federally insured financial institution, the Bank of North Dakota, or any registered dealer under the North Dakota Century Code chapter 10-04 and authorized by the retirement board to provide investment products to employees.

“Provider Representative” means an individual designated by a provider company to provide investment management services to plan participants.

“Retirement” means separation from service with the employer on a date coincidental with the normal, postponed, early, or disability retirement dates as described in North Dakota Century Code chapter 54-52-17.3.

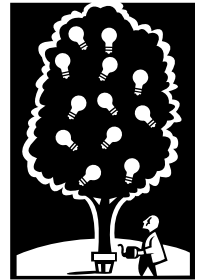
“Retirement Board” means the seven persons described in North Dakota Century Code chapter 54-52-03.

“Separation from Service” means that term as defined under the Internal Revenue Service Code section 402 (d) (4) (A) (3i) and includes severance of employment by reason of death, disability, retirement, resignation, or discharge.

“State” means the State of North Dakota or any of its institutions, departments, separate agencies or participating political subdivisions thereof acting as an employer of the participant.

“Unforeseeable Emergency” means a severe financial hardship to the participant resulting from a sudden and unexpected illness or accident to the participant, the participant’s spouse or dependent of the participant, loss of the participant’s property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of or due to events beyond the control of the participant. See page in Appendix for more information on applying for a distribution.

DEFINITIONS



**ANSWERS
TO COMMONLY
ASKED
QUESTIONS**


Q. What is a 457 Deferred Compensation Plan?

A. It is a voluntary, supplemental retirement plan for eligible employees of participating governmental agencies. The program permits you to defer a portion of your salary on a pre-tax basis through automatic payroll deductions and have it invested for payment to you at a later date, usually at retirement. Neither the amount deferred to your investment account, nor the income or gains on those investments are taxable until you begin to withdraw money from the account. A deferred compensation plan is set up under Section 457 of the Internal Revenue Code (IRC).

Q. Who may participate in the plan?

A. Eligible employees of the State of North Dakota and employees of participating political subdivisions. To be eligible, you must be a permanent employee working at least 20 or more hours a week for at least five months of the calendar year and filling a position that is regularly funded and is not of limited duration.

Q. What is the minimum and maximum amount I can defer?

A. You may defer a minimum of \$300 annually (\$25 a month). The annual maximum you may defer is based upon the annual limits indicated on the maximum allowable deduction schedule or 100 percent of your includible compensation, whichever is less. The maximum you may defer is affected by your contributions to another Section 457 deferred compensation plan, or employee contributions to your regular retirement plan which are paid by your employer under an IRC Section 414(h) salary reduction arrangement.

**Annual Maximum
Allowable Deduction Schedule**

Year	Limit
2002	\$11,000
2003	\$12,000
2004	\$13,000
2005	\$14,000
2006	\$15,000

**After 2006, the limit will be indexed for inflation in \$500 increments.*

Q. What factors should I consider before enrolling in the plan?

A. You should consider any deferred salary to be a long-term investment. You should not consider the deferred compensation amount to be a savings account with unlimited access to the funds at any time. Loans are not allowed. Funds are only available in the event of separation from service or if you experience a severe and unforeseeable emergency.

	Deferred Compensation Investment Plan (pretax)	Savings Plan (after tax)
Monthly Salary	\$1,500	\$1,500
Less:		
Pretax Savings Contribution	100	0
Taxable Salary	1,400	1,500
Less:		
Federal & State Taxes*	239	257
Less: FICA**	115	115
Salary after Taxes	1,046	1,128
Less:		
After-Tax Savings Contribution	0	100
Spendable Income	1,046	1,028

**Based on a 15 percent federal tax bracket*

***Your FICA is still calculated on your gross salary.*

Based on the above example, you increase your monthly spendable income by \$18 (\$1,046 - \$1,028 = \$18). Your annual income is increased by \$216 (\$18 X 12). Additionally, you have saved \$1,200 tax deferred. It cost you \$82 to save \$100! Of course you will eventually pay taxes on distributions you receive. However, you have been able to use the money to maximize its compounding effect.

Q. *How does this plan compare to a regular savings plan?*

A. Compared to a regular savings plan, a deferred compensation plan will decrease your taxable income thereby increasing your spendable income. The illustration on the previous page demonstrates the advantage of saving \$100 a month through a pretax deferred compensation plan as compared to an after-tax savings plan.

Q. *Are there other tax advantages to consider?*

A. Yes, you may be eligible for a non-refundable tax credit for contributions to tax shelter retirement savings vehicles such as an IRA, 457 or 403(b) deferred compensation plans. The credit is taken by the individual on his or her income tax return. The credit may offer a significant savings to low or moderate income workers. You should consult your tax preparer to assess your individual tax savings.

Q. *Can I ever defer more than the maximum allowable?*

A. Yes. There are two separate provisions in the IRC that allow participants to defer more than the maximum contributions. Participants who attain age 50 or older are allowed to contribute an additional amount into the plan under the 50-plus catch-up provision. A participant is deemed to be age 50 on January 1 of the year age 50 is attained. The amount of the contribution is in addition to the annual maximum limit and is subject to the following schedule:

Year	Limit*
2002	\$1000
2003	\$2000
2004	\$3000
2005	\$4000
2006	\$5000

**After 2006, the limits will be indexed for inflation in \$ 500 increments.*

The "normal catch-up" provision may allow eligible participants to increase the maximum contribution amount during the three years prior to the participants declared retirement date. (Can be anytime after participant is eligible for **unreduced retirement benefits** by attaining age 65 or the Rule of 85, but no later than age 70 1/2.) The three years must be con-

secutive years and participation is limited to one time only. The tax year in which you plan to retire may not be used as a catch-up year. You may only use this provision for those years in which you were eligible to participate in the plan. Participants must have been eligible for the state's deferred compensation program or other employer's deferred compensation plan, and did not defer the maximum amount allowed in each calendar year of eligibility. Participants must obtain authorization from NDPERS by completing the Catch-up Worksheet Certification form.

For calendar years beginning after December 31, 1978 and through December 31, 2001 the annual maximum deferral amount is the lesser of \$15,000 or the total of the otherwise applicable limit for the year based on underutilization of prior deferrals from years you were eligible to contribute in the 457 plan.

For calendar years beginning January 1, 2002 the maximum amount you can defer under the normal catch-up provision is twice the otherwise applicable limit for that year based on underutilization of prior deferrals from years you were eligible to contribute to the plan. Following are the maximum catch-up limits beginning with 2002:

Year	Maximum Deferral
2002	\$22,000
2003	\$24,000
2004	\$26,000
2005	\$28,000
2006	\$30,000

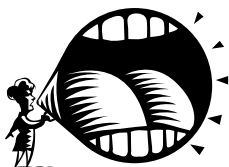
The normal catch-up provision cannot be utilized the same year as the 50-plus catch-up option.

Other Provisions:

You may also defer more than the maximum allowable in accordance with the provisions of the Uniformed Services Employment and Reemployment Rights Act of 1994 (USERRA). If you participated in the NDPERS deferred compensation plan prior to a call to active duty, you may be eligible to make up any elective deferrals you would have been allowed to make to the Section 457 deferred compensation plan had you remained continuously employed. The amount you are allowed to make up is based on the amount you were contributing prior to the call to active duty

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ANSWERS TO COMMONLY ASKED QUESTIONS



multiplied times the number of pay periods you were in the military. You may, but are not required to make a lump sum contribution. The timeframe to make up the missed contributions is 3 times the period of active duty or 5 years, whichever is less. All contributions to the Section 457 deferred compensation plan must be made on a pretax basis through automatic payroll deductions. If you do not purchase during this timeframe, USERRA no longer applies.

If an employee makes a lump sum contribution to the deferred compensation account to make up any amounts missed as a result of the military service, the member will retroactively vest in the employer contribution under the Portability Enhancement Provision (PEP) pursuant to NDCC §54-52-11.1. The member's retroactive vesting is contingent on the employee entering into an agreement to purchase the missed service and on the employee and employer contributions to the defined benefit plan actually being made.

To make up contributions, the reservist must provide a photocopy of the DD214 or NGB22 discharge form as verification. This form must be submitted with a completed Participant Agreement for Salary Reduction, SFN 3803 and 457 Plan Make-up Agreement for USERRA Covered Military Active Duty, SFN 53754.

Q. *How can I participate in the deferred compensation plan?*

A. You must first select and contact one of the eligible providers for the plan. The provider representative you select will assist you in completing the required forms to open an account. You must complete a Participant Agreement, SFN 3803, to authorize your automatic payroll deduction. Please note that IRS regulations require you to make your deferral election prior to earning the money. (*See the example provided on the Participant Agreement form SFN 3803*).

Q. *Can I make personal contributions to my account?*

A. No. The only way you can invest in the program is through automatic payroll deductions.

Q. *Can I make contributions to more than one company?*

A. Yes. However, the total amount deferred cannot exceed the annual maximum deferral amounts or 100 percent of includible compensation, whichever is less.

Q. *When can I make changes to the amount I am deferring?*

A. You may begin, stop, increase or decrease your deferred compensation deduction at any time by completing a Participant Agreement, SFN 3803. The IRC requires that any changes to your salary deduction amount be made in the month prior to the month in which the salary is earned. For example, for the April payroll which is paid May 1, you must complete, sign, and date your Participant Agreement prior to April 1st and submit the form to the PERS office no later than April 15th for processing.

Q. *What happens if I transfer to another state agency or participating political subdivision?*

A. You must continue deferring contributions at the same level unless you complete the Participant Agreement SFN 3803 to suspend or change your deferral.

Q. *May I change investment providers?*

A. Yes. You may change investment providers at any time and for any reason. However, exit charges and penalties may apply. If you decide to change providers and transfer your account either in part or in whole to another eligible provider under the State's plan, you must complete a Request for Transfer, SFN 50177. The forms are available through the NDPERS office.

You must also complete a Participant Agreement form (SFN 3803) to suspend contributions to the previous provider or start contributions to the new provider.

Q. *What happens when I terminate employment?*

A. Upon being notified that you have terminated eligible employment, NDPERS will notify your provider representative. You should contact your provider representative

for assistance in selecting a payment mode and distribution date.

Q. *When are my funds available for distribution?*

A. Your deferred funds become available thirty (30) days after separation of employment which includes retirement, disability, death, resignation or discharge.

Q. *Is there any time that I may withdraw my account prior to termination?*

A. There are only two occasions when a participant may take a distribution from a deferred compensation account prior to termination.

1.) In the event you have an unforeseeable emergency, you may apply for a financial hardship withdrawal subject to the approval of the NDPERS Board.

2.) Lump sum de-minimus distributions are permissible for an active participant if the total value of all accounts is less than \$5,000, the participant has not contributed to the plan in the preceding two years and the participant has not previously received a distribution of this nature from the plan.

Q. *Is there a penalty if I withdraw my account before age 59-1/2?*

A. No. Section 457 of the Internal Revenue Code does not contain a penalty provision for withdrawals prior to age 59-1/2. However, some investment product contracts may contain a penalty clause for withdrawal before 59-1/2. At the time you open your account, ask your investment provider about withdrawal penalties.

Q. *What are the payment options for withdrawal of my account?*

A. Some of the available options include single sum distribution; purchase of an annuity contract; or annual, semiannual, quarterly, or monthly installments. You may also elect to defer distribution of your account to a future date. However, after separation from service, you must begin receiving a benefit no later than April 1 following the year in which you turn age 70-1/2. If you are still employed when you turn 70-1/2, you are not required to begin distribution until termination occurs.

Q. *What is an unforeseeable emergency?*

A. It is a severe financial hardship resulting from a sudden and unexpected illness or accident occurring to you, your spouse or one of your dependents; loss of property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond your control. The PERS Board decides the extent of all emergency withdrawal requests. The circumstances that constitute an unforeseeable emergency will depend on the facts of each case. Examples of what are not considered to be unforeseeable emergencies include the need to send your child to college, the desire to purchase a home, credit card bills or financial obligations resulting from a divorce. See Appendix for information on applying for a financial hardship.

Q. *What happens to my account if I die?*

A. If you die before benefits have commenced, the funds in your account will be paid to your designated beneficiary. If the beneficiary is your spouse, distribution must commence no later than December 31 of the year following the year of your death, unless your spouse makes an alternative election. If the beneficiary is not a spouse, distribution must commence no later than December 31 of the year following the year of your death.

If you die after benefits have commenced, benefits may be continued to a spouse beneficiary. If there is no beneficiary on file or your beneficiary is no longer living, the funds will be paid to your estate. If your beneficiary dies prior to your account being paid out in full, a lump sum will be paid to your beneficiary's estate.

Q. *What happens to my election for distribution if I return to work with a state agency or participating political subdivision before distribution of my account begins?*

A. You can resume deferrals to your account.

Q. *Do my deferrals affect my Social Security benefits or NDPERS pension benefits?*

A. No, contributions to both Social Security and NDPERS are based on your adjusted gross wages before your deferrals are deducted.

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**ANSWERS
TO COMMONLY
ASKED
QUESTIONS**


Q. *What happens to my election for distribution if I return to work with an eligible employer after distribution of my account has begun?*

A. Distributions may continue as you elected. However, you may begin participating in the deferred compensation program again as an eligible employee.

Q. *Can my deferred compensation account be transferred to another eligible plan?*

A. Yes. Upon separation from service, you may transfer your deferred funds from the State of North Dakota's 457 plan to another eligible plan, including another employer's 457 plan or a 403(b), an eligible IRA, or other tax qualified plan, so long as that plan allows for acceptance of such funds. Please note that distributions eligible for rollover from a 457 plan are subject to a mandatory 20 percent federal income tax withholding requirement unless you elect to make a direct rollover to an eligible plan.

Q. *Are there any consequences to a roll-over of 457 funds to another retirement plan, or other eligible plan?*

A. Yes, eligible rollover distributions from 457 plans to other qualified plans will take on the tax treatment of the new plan.

Q. *Does the State of North Dakota's plan allow a transfer of funds prior to separation from service?*

A. Yes. An active participant is eligible for an approved trustee to trustee transfer of funds from the NDPERS 457 Deferred Compensation Plan to the NDPERS Defined Benefit Retirement Plan for the purpose of purchasing eligible retirement service credit. This type of transfer is not a taxable distribution.

Q. *Does the State of North Dakota's plan accept transfers from other Section 457 plans?*

A. Yes, so long as the other plan allows for a transfer of such funds and the transfer contains no after-tax dollars or employer paid contributions. Contact the NDPERS office for instructions.

Q. *How are distributions from the account treated for tax purposes?*

A. Distributions are considered income in the year that they are received. You will receive a form 1099R from your investment provider for tax reporting purposes. Beneficiary payments will also be reflected on a 1099R form.

Q. *Are deferred compensation distributions included as income in determining maximum earnings limits for Social Security?*

A. No.

Q. *What are my rights under the plan?*

A. Presently, in order to retain the tax deferred benefits of the plan, Section 457 of the IRC mandates that your employer maintain all funds deferred under the Plan for your sole benefit until the account is distributed to you. However, you have the right to choose your investment provider, designate how much you wish to defer, how the funds will be invested, name a beneficiary for your account, and select how you want the funds distributed. You will also receive quarterly account statements directly from your provider company. Neither you nor your designated beneficiary have the right to commute, sell, assign, transfer, or otherwise convey the right to receive any payments under the plan. Your rights under this plan are not subject to the rights of creditors and are exempt from execution, garnishment, attachment, prior assignment, or any other judicial relief or order for the benefit of creditors or other third persons.

Q. *Can I contribute to an IRA and participate in the deferred compensation plan?*

A. Yes, you may participate in both programs. However, if you are an active participant in an employer-sponsored retirement plan, eligibility to contribute to a traditional IRA depends on your adjusted gross income and filing status. Consult a tax expert if you have questions in this area.

DISTRIBUTIONS

Participants of a 457 plan are only allowed to take distribution of their account under the following circumstances:

- 1.) Separation of employment.
- 2.) Eligibility for an approved unforeseeable financial hardship.
- 3.) Eligibility for a deminimus distribution.
- 4.) Qualified Domestic Relations Orders.

Separation of Employment:

This includes retirement, disability resignation, death or discharge. PERS will send you a notice acknowledging termination and send a copy to your agent/provider company. You must be off covered employment for thirty (30) days and must contact your provider representative for distribution of your account.

Financial Hardship:

According to IRC 457, a financial hardship is defined as an unforeseeable emergency resulting from a sudden and unexpected illness or accident occurring to you or one of your dependents, loss of your property due to casualty, or other similar extraordinary and unforeseeable circumstances arising as a result of events beyond your control.

If you meet the criteria, contact the NDPERS office to obtain an application. Application materials must be submitted to the NDPERS office a minimum of ten days prior to a regularly scheduled NDPERS board meeting. Generally, required documentation includes:

- a.) Complete details of unforeseeable nature of emergency
- b.) Listing of income, assets and liabilities
- c.) Supporting documentation
- d.) Signature of participant on the application
- e.) Listing of other efforts to relieve emergency

Your completed application will be considered by the NDPERS Board to determine whether your request meets IRC requirements for a hardship distribution.

Examples of past applications which did not meet the IRS definition for an eligible

hardship distribution include, but are not limited to the following:

- the need to send a child to college
- purchase of a home
- divorce of a participant
- birth of a child
- over-extension of credit
- gambling debt

If you file for a hardship distribution, you must cancel deferrals into the program.

Subject to approval of the request, you cannot resume deferrals for at least six (6) months from the date of the approved distribution.

Deminimus Distribution:

If you have not separated from employment, you may apply for a deminimus distribution if:

- the total value of your accounts, with all providers, is less than \$5,000
- you have not made any deferrals to the plan in the preceding 24 months, and
- if you have not previously received a deminimus distribution from the plan.

Qualified Domestic Relations Orders (QDRO)

A QDRO is any judgment, decree or order issued by the court which relates to the provision of child support, spousal support or marital property rights to a spouse, former spouse, child or other dependent of a participating member, made pursuant to a North Dakota domestic relations law, and which creates or recognizes the existence of an alternate payee's right to, or assigns to an alternate payee the right to receive all or a part of the benefits payable to the participating member.

After a domestic relations order is deemed to be qualified, the alternate payee is required to take a lump sum payment of the allocated benefits within one hundred twenty days of the later of the board's acceptance of the qualified domestic relations order or the entry of the order by the court. The lump sum payment is taxable to the alternate payee.

Prior to beginning or constructing a domestic relations order, your attorney should contact the NDPERS office to obtain a copy of the QDRO requirements.



**SELECTING
A FINANCIAL
ADVISOR**

It may help to narrow your search by asking to work with an individual who is familiar with the rules and regulations of deferred compensation plans (457 plans) and who is also familiar with the process for enrolling in the NDPERS Deferred Compensation program. Once you have narrowed your search, the following questions may be helpful to you in evaluating who you wish to work with.

**Potential Questions To Ask When
Selecting A Financial Advisor:**

- What is your area of expertise?
What is your educational background?
- What, if any, financial planning designations have you earned? How do you keep up with current trends in your field?
- How long have you been offering financial planning services? How long has your company been in business?
- Have you ever been cited by a professional or regulatory governing body for disciplinary reasons? Will you provide references?
- If I begin deferring salary to your company, will I work with you or will I be turned over to another employee of your firm?
- What is your approach to saving and investing? Will you be providing an individualized financial plan?
- What kind of communications can I expect from you on an ongoing basis? (accounting statements, newsletters, etc.)
- How often will you review my portfolio?
- How are you compensated for the services you provide? How are fees calculated? Request a written fee schedule or prospectus for the investment products you are considering selecting.
- On average, how much can I expect to pay for your services? What do I receive in return for that fee?

One final question to ask that may be helpful is "What would you like to know about me?" or "What, if anything, do you expect of me during our relationship?" He or she ought to ask you appropriate questions about your risk tolerance, your investment goals, your knowledge about investing, how much you already have invested and what you currently own. If the adviser isn't interested enough to ask these critical questions now, say good-bye. You'll never get the service you deserve from someone like that.

Danger Signals

Weigh advice carefully before making any financial decisions and exercise caution in choosing an advisor. Remember, only you know what choices are best for your lifestyle and family situation. If you don't feel comfortable with the advice you have been given, seek a second opinion.

There are several serious danger signals that can indicate you are working with the wrong person. Plan to look for another professional if your advisor:

- Does not spend a satisfactory amount of time with you.
- Can't or won't give clear explanations.
- Says he/she has a "surefire" system for above-average earnings.
- Displays his/her own wealth or brags about his/her income.
- Tells you that you will "miss the boat" if you do not sign up right now.
- Offers hot tips or claims to have insider information.

If you do have concerns or questions about a professional representative of an authorized company, the following contact information may be useful to you.

Accountants

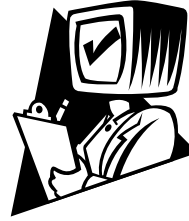
North Dakota State Board of Accountancy
2701 S Columbia Rd
Grand Forks, ND 58201-6029
1-800-532-5904

Attorneys

State Bar Association of North Dakota
515 1/2 E Broadway
Bismarck, ND 58501
Lawyers Referral and Information Service

Check it out in North Dakota!

(c/o State Bar, see above for address)
1-800-932-8880



Certified Financial Planners

(No North Dakota Association at this time)

For a list of CFP licensees in your area:
1-800-282-7526

To confirm whether the planner is a
current CFP licensee: 303-830-7543

Consumer Assistance and Information

*(If your complaint involves consumer
fraud, false advertising, unfair or
deceptive business practices)*

Consumer Fraud and Antitrust Division
Office of the Attorney General
600 E. Boulevard Avenue
Bismarck, ND 58505
1-800-472-2600, 701/328-3404

Financial Institutions

*(For more information or complaints
about lenders or money brokers)*

N.D. Department of Banking and Financial
Institutions
600 E. Boulevard Avenue
Bismarck, ND 58505
701/328-2253

Insurance

*(For complaints or inquiries dealing with
insurance companies, salespersons or
practices)*

N.D. Commissioner of Insurance
600 E. Boulevard Avenue
Bismarck, ND 58505
1-800-247-0560 or 701/328-2910

North Dakota Association of Life
Underwriters
2900 E. Broadway Avenue
Bismarck, ND 58501
701/258-9525

Securities

*(For problems with salespersons
and companies dealing in securities)*

Securities Commissioner
600 E. Boulevard Avenue
Bismarck, ND 58505
1-800-297-5124 or 701/328-2910


NDPERS Forms *(Samples on page 12)*

What NDPERS form should I use when:

- I wish to begin participation in the plan. (SFN 3803)
- I wish to stop participation in the plan. (SFN 3803)
- I wish to increase contributions or decrease contributions. (SFN 3803)
- I wish to change my address. (SFN 3803)
- I wish to make use of the 50+ catch-up provision. (SFN3803)
- I wish to transfer my account to a different provider. (SFN50177)
- I wish to use the regular 3 year catch-up provision. (SFN 51501)
- I wish to apply for an unforeseeable financial hardship withdrawal. (SFN 16662)
- I wish to apply for a Deminimus Distribution. (SFN 52051)
- I am terminating employment. (SFN 17032)

SAMPLE FORMS

EXAMPLE FORMS



NORTH DAKOTA SECTION 457 DEFERRED COMPENSATION PLAN
PARTICIPANT AGREEMENT FOR SALARY REDUCTION
 NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
 574 3833 (Rev. 1-78)

To avoid processing delays, please complete all sections which apply to the action(s) checked in Section 1. Return all copies of the form to **NOTERS**.

SECTION 1 - CHECK ALL THAT APPLY

☐ 1. New Application ☐ 2. Change Name ☐ 3. Change Employer from _____ to _____
☐ 4. Increase Deduction ☐ 5. Change in Company from _____ to _____
☐ 6. Decrease Deduction ☐ 7. Change Beneficiary ☐ 8. Change Employer from _____ to _____
☐ 9. Suspend Deductions

SECTION 2 - PROVIDER INFORMATION: Must be completed for any action checked in SECTION 1.

Name (Last, First, MI) _____ Daytime Telephone Number _____
 Address, City, State, Zip Code _____
 Department/Agency _____
 Signature _____
 Title or Company _____

SECTION 3 - MAXIMUM ALLOWABLE DEDUCTION: Must be completed if you checked 1, 2, 3, 4, 5, 6, 7, 8, or 9 in SECTION 1.

Annual Gross Pay _____
 Less Annual Deductions _____
 You must receive pay state _____
 Medical Spending Account _____
 Dependent Care Account _____
 (or other program) _____
 Retirement Contributions (IRC 414(a) (1)(B)) _____
 (If completed) _____
 Total Annual Deductions (add items in B) _____

SECTION 4 - CALCULATION OF MAXIMUM ALLOWABLE DEDUCTION: Must be completed if you checked 1, 2, 3, 4, 5, 6, 7, 8, or 9 in SECTION 1.

A. Annual Gross Pay _____
 Less Annual Deductions _____
 You must receive pay state _____
 Medical Spending Account _____
 Dependent Care Account _____
 (or other program) _____
 Retirement Contributions (IRC 414(a) (1)(B)) _____
 (If completed) _____
 Total Annual Deductions (add items in B) _____

SECTION 5 - SALARY REDUCTION AUTHORIZATION: Must be completed if you checked 1, 2, 3, 4, 5, 6, 7, 8, or 9 in SECTION 1.

I, _____, do hereby authorize the North Dakota Public Employees Retirement System to deduct from my salary the amount of _____ per month, or _____ per year, for the purpose of contributing to the North Dakota Public Employees Retirement System. This authorization shall remain in effect until I revoke it in writing. I understand that if I revoke this authorization, I will be required to pay the balance of the contributions due to the North Dakota Public Employees Retirement System. I understand that if I revoke this authorization, I will be required to pay the balance of the contributions due to the North Dakota Public Employees Retirement System. I understand that if I revoke this authorization, I will be required to pay the balance of the contributions due to the North Dakota Public Employees Retirement System.

SECTION 6 - PERSPENTARY DESIGNATION: Must be completed if you checked 1, 2, 3, 4, 5, 6, 7, 8, or 9 in SECTION 1.

I wish to designate the following beneficiary(ies) in accordance with North Dakota Administrative Code 71-07-04.01 and 71-07-04.02:


NAME	RELATIONSHIP	SOCIAL SECURITY NUMBER	BIRTHDATE	% SHARE
Primary Beneficiary(ies)				
Contingent Beneficiary(ies)				

SECTION 7 - NOTING AUTHORIZATION: Must be completed if you checked 1, 2, 3, 4, 5, 6, 7, 8, or 9 in SECTION 1.

I, _____, do hereby authorize the North Dakota Public Employees Retirement System to deduct from my salary the amount of _____ per month, or _____ per year, for the purpose of contributing to the North Dakota Public Employees Retirement System. This authorization shall remain in effect until I revoke it in writing. I understand that if I revoke this authorization, I will be required to pay the balance of the contributions due to the North Dakota Public Employees Retirement System. I understand that if I revoke this authorization, I will be required to pay the balance of the contributions due to the North Dakota Public Employees Retirement System. I understand that if I revoke this authorization, I will be required to pay the balance of the contributions due to the North Dakota Public Employees Retirement System.


SECTION 8 - NOTING AUTHORIZATION: Must be completed if you checked 1, 2, 3, 4, 5, 6, 7, 8, or 9 in SECTION 1.

I, _____, do hereby authorize the North Dakota Public Employees Retirement System to deduct from my salary the amount of _____ per month, or _____ per year, for the purpose of contributing to the North Dakota Public Employees Retirement System. This authorization shall remain in effect until I revoke it in writing. I understand that if I revoke this authorization, I will be required to pay the balance of the contributions due to the North Dakota Public Employees Retirement System. I understand that if I revoke this authorization, I will be required to pay the balance of the contributions due to the North Dakota Public Employees Retirement System. I understand that if I revoke this authorization, I will be required to pay the balance of the contributions due to the North Dakota Public Employees Retirement System.



SECTION 1
 Name: _____
 Date of Birth: _____
 Normal Retirement _____

SECTION 2
 A. Tax Year _____



CATCH-UP WORKSHEET/CERTIFICATION INSTRUCTIONS

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
SFN 15001 (12-97)


SECTION 1 -

Complete all information requested. In addition, you must establish your "normal retirement age" by specifying the month and year you plan to retire. Your age at retirement must fall within the range of ages for normal retirement. Provide "pick-up" information only if applicable. See "C" below for explanation.

SECTION 2 -

- A. Beginning with Tax Year 1979, identify the tax year(s) you were employed by your current employer but did not contribute the maximum amount you were eligible to defer after the Plan's inception date.
- B. Your gross earnings may be determined from your W-2 Form issued by your employer. Only wages paid to you as an employee may be considered when determining your gross earnings for purposes of the catch-up provision.
- C. If your employer participates in Employer Pick-up (makes contributions to employees' retirement plan with pre-tax dollars) the percentage of pick-up should be placed in column "C" for all years starting with the pick-up year as shown on the worksheet
- D. Only for years Employer Pick-up applies, multiply the pick-up percentage (column "C") for all years starting with the pick-up year as in column "B" (gross annual salary), and enter the result in column "D".
- E. The Adjusted Gross Annual Salary is determined by subtracting column "D" from Column "B" and entering the result in column "E".
- F. For each tax year, determine 25% of your adjusted gross annual salary not to exceed \$7,500. (\$8,000 for 1998).
- G. Enter any actual amounts deferred for each tax year. This can be determined from your payroll stub or periodic statements issued to you by the investment firms. (Contributions made to a 401(k) or 403(b) must be included HERE. Do not include I.R.A. contributions.)
- H. Subtract column "G" from column "F" for each year to determine the under-utilized amount you are eligible to catch up.
- I. Add the amounts in column "H".

NOTE: If more space is needed to reflect under-utilization in the catch-up column, use the additional space provided. Information is not necessary to document under-utilization in the catch-up column.



CATCH-UP WORKSHEET/CERTIFICATION

NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM

SPN \$1601 (12/97)

SECTION 1


Name:	Plan's Inception Date:	Pick-up %: (if applicable)
Date of Birth:	Social Security #	Pick-up Year: (if applicable)
Normal Retirement Date (Month/Year):		

SECTION 2

A. Tax Year	B. Gross Annual Salary	C. Employer Pick-up %	D. Employer Pick-up Amount BxC = D	E. Adjusted Gross Annual Salary B-D = E	X 25%	F. Annual Maximum Deferral E x 25% = F	G. Actual Annual Deferral	H. Under-Utilized Amounts F-G = H	

I. Total Under-Utilized Amount:


Up Year	K. # of Pay Periods	L. Pay Period (Catch Up)	M. Pay Period(Normal Deferral)	N. Total Pay Period Deferral**



REQUEST FOR PAYMENT

NON-REVENUE

04-06-97

	NORTH DAKOTA SECTION 457 DEFERRED COMPENSATION PLAN REQUEST FOR TRANSFER NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM SEN 50177 (7-99)
Instructions: Complete Sections 1 and 2 and return this form in its entirety to the address shown below. <div style="text-align: center;"> Public Employees Retirement System P.O. Box 1214 Bismarck, ND 58502 </div>	
SECTION 1 - PARTICIPANT INFORMATION	
I am requesting a transfer of my Section 457 deferred compensation plan account as set forth in Section 71-04-06-07 of the North Dakota Administrative Code.	
Participant Name (Please print or type)	Daytime Telephone Number
Social Security Number	Address
City	State Zip Code
SECTION 2 - TRANSFER INSTRUCTIONS	
I am currently invested with (Company Name)	
Account Number	Agent Name (previous)
Please transfer my account as indicated below (check one): <input type="checkbox"/> Full Value <input type="checkbox"/> % <input type="checkbox"/> \$	Transfer To (Company Name)
Make Check Payable To	FBO (Participant's Name)
Address	State Zip Code
City	Telephone Number
Agent's Name (new)	
PARTICIPANT'S AUTHORIZATION	
Signature	Date
SECTION 3 - OWNER'S AUTHORIZATION	
In compliance with Section 11-H of the Provider Administrative Agreement, the NDPERS Retirement Board requests a direct transfer of funds to the company indicated in Section 2. This company is an eligible provider under the State of North Dakota Deferred Compensation Plan and agrees to accept the funds being transferred and to serve as the new custodian for this account. The North Dakota Administrative Code stipulates that this transfer must take place within 30 days from receipt of this notification.	
Authorized Agent, North Dakota Deferred Compensation Plan	Date

White - Current Provider Yellow - Agency Pink - Participant Green - New Provider

REQUEST FOR DEMINIMUS DISTRIBUTION
NORTH DAKOTA PUBLIC EMPLOYEES RETIREMENT SYSTEM
SFN 52051 (Rev. 06-89)

penalty of P
Provision

I hereby request a lump sum distribution of my deferred compensation account without separating from service and acknowledge that I meet the following criteria:

- The total value of deferred assets in the program is less than \$5,000;
- I have not contributed to the plan in the preceding two years; and
- I have not previously received a distribution from the plan.

My provider company is:

Name:

Address:

Social Security Number:

City:

Daytime Phone Number:

State:

Zip:

Date:

(THIS SECTION TO BE COMPLETED BY YOUR PROVIDER COMPANY AGENT)

This certifies the above participant's deferred compensation aggregate account balance is:

Agent Name

Date:

Provider Company

YOU MUST COMPLETE A SHEET FOR EACH PROVIDER COMPANY YOU HAVE AN ACCOUNT WITH

